



consumer news

Office of Consumer Affairs
Executive Office of the President Virginia H. Knauer, Director

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Income tax crunch? Read this

The crunch is on. April 15—the deadline for preparing & sending in your 1972 federal income tax return—is fast approaching.

If you haven't prepared your return yet & feel that you could use some help, there are 2 things you can do: (1) consult the **Internal Revenue Service**, which offers free information & tax preparation services or (2) go to a qualified & responsible tax preparation company.

As part of its campaign to provide more help to taxpayers, IRS will compute your taxes for you if you plan to use the simplified 1040A form, take the standard deduction & earn \$20,000 a year or less. All you have to do is fill in the appropriate information on pages 1 & 2 of the 1040A form & mail it in along with your W-2 form to the IRS office indicated in the instructions. If you owe any taxes, IRS will bill you for the amount due; if you are entitled to a refund, IRS will send it to you.

In 4 cities—Washington, Boston, Philadelphia & Brooklyn—IRS is conducting a pilot project in which it will fill out your return for you with the help of a mini computer. The experimental service works as follows: The taxpayer supplies IRS with W-2 forms & bank statements & records of interest. This information is then fed into the computer & the return is prepared in less than 5 minutes. The final product is a computer printed 1040A return ready for the taxpayer's review, signature & filing with IRS. The program is only a pilot project & therefore, can only accommodate a limited number of people.

In addition to its tax preparation services, IRS also offers a number of general & informational services for the taxpayer. For those who find it difficult to get help with their tax returns during normal business hours, IRS has extended its office hours. Most local offices are now open an average of 8 extra hours a week, including extra hours during the evenings & on Saturdays.

For those with telephone inquiries, IRS has a "centriphone" program so that taxpayers in a given state can call the district office toll-free. Centriphone now operates in 30 IRS districts. Ask your local operator for the toll-free number in your state.

If you are not planning to take the standard deduction, or think you have complicated tax problems, you may want to go to a tax preparation company & have one of its representatives compute your taxes for you. While there are many reputable companies you can go to, both IRS & **Federal Trade Commission**—which regulates the advertising of tax preparation companies—caution consumers to select a tax preparer with care. Even though the taxpayer hires someone else to prepare his tax return for him, the taxpayer alone remains legally responsible for the return.

IRS provides these tips to help consumers select a responsible tax preparer:

Shun a preparer who

- asks that you sign a blank return or a return prepared in pencil.
- wants to enter fictitious dependents & deductions or who wants to omit income.
- "guarantees" a refund without qualification.
- offers inducements for you to have any refund check mailed in care of the preparer rather than to your own address.

Choose a preparer who

- you can reach year-round. You may need to get in touch with him after the filing deadline.

Baby crib regulation is being written

Food & Drug Administration's Bureau of Product Safety is drafting the final form of a proposed regulation governing baby cribs.

Soon to be published in the *Federal Register*, the proposed regulation will be the first attempt by government to standardize the baby crib industry. In the past, baby cribs have come under a voluntary industry standard proposed by the Juvenile Products Manufacturers Association, a trade association. According to bureau officials, while the new regulation will call for some major changes in the way baby cribs are made, the industry has agreed to most of the changes to be set forth in the regulation.

The proposed regulation is being written to eliminate hazardous features of baby cribs that have led to injury & sometimes death in the past. Some of the major provisions to be included in the regulation are

- Establishing a maximum allowable slat spacing dimension. This will provide a maximum degree of safety in preventing a baby from getting caught between the slats & possibly getting strangled.
- Standardizing the interior dimensions of cribs. This will do away with improper fitting mattresses & the subsequent hazards involving a baby becoming trapped between the mattress & the crib frame.
- Establishing a minimum side rail height. This will provide for a protective rail to guard against a child falling or rolling out of the crib, even when the rail is in a lowered position.
- Eliminating rough edges on hardware that a baby may come into contact with.
- Prohibiting the use of wood screws on parts of the crib that parents assemble themselves. This will insure that cribs do not fall apart.

The proposed regulation will also call for detailed instructions for assembling cribs & for permanent labeling, including the manufacturer's name & code or model number. The bureau is aiming for an effective date of Jan. 1, 1974, for the regulation. However, officials predict that many manufacturers will begin to produce cribs conforming to the regulation before the effective date.

State of the Union: human resources

The 4th part of President Nixon's 1973 State of the Union message was devoted to human resources. Within this area of human well-being, the President said the backbone of consumer affairs was :

The self-reliance & resourcefulness of our people when they enter the marketplace as consumers, the generally high standard of ethics & social responsibility upheld by business & industry & the restrained intervention of government at various levels as a vigorous but not heavy-handed referee of commerce. . . . We must build on each of these strengths in our efforts to protect the rights of the consumer as well as the vigor of the free enterprise economy in the 1970's.

The President also stated that the transfer of **Office of Consumer Affairs** from the White House to **Health, Education & Welfare Dept.** was logical because of the human resources role of the department. He said OCA will continue its policy formation role & educational efforts & will take on additional responsibilities.

Some of the other provisions of the human resources statement were the following:

- **Health**—The Administration has increased funds for programs that help to prevent illness, such as those that help carry out food & drug laws & those that promote consumer safety.
- **Older Americans**—The President will submit to Congress recommendations for alleviating property tax burdens of older Americans & request funds for (1) nutrition projects for the elderly & (2) assisting states & localities in developing comprehensive service programs for the elderly.
- **Civil Rights**—The Administration will continue to support ratification of the Equal Rights, [for women] Amendment to the Constitution.

FTC to ban false claims for Orange C

Federal Trade Commission has provisionally accepted a consent order that prohibits MCP Foods from making false nutritional claims for its Orange C, a frozen concentrate for imitation orange juice. The order also limits the firm's use of the words "Orange C" to products that do contain at least as much vitamin C as orange juice.

FTC's complaint alleged that the firm misrepresented Orange C through advertisements containing statements such as "at breakfast or anytime gives you extra vitamins A & C" & "A convenient frozen concentrate from fresh California oranges." The order prohibits misrepresentations as to Orange C's vitamin content, nutrient value or amount of natural fruit juice & prohibits representations that isotonic salts in Orange C are nutritionally significant. It also provides that the following 3 disclosures must be made:

- "Food energy" is a reference to calories;
- Orange C contains artificial & nutritive sweeteners;
- Orange C is a frozen concentrate for imitation fruit juice when such is the case.

The proposed consent order also cites The Manye Agency Inc., an advertising agency for MCP, & Laurence W. Pendleton, an ad agency officer. The proposed agreement is for settlement purposes only & does not mean the companies nor the officer admit to violating the law. FTC's complaint & proposed consent order will be on public record until April 3, at which time the agency is expected to accept it on a final basis. Consumers may comment on the proposed order before April 3 by writing to Federal Trade Commission, Washington, DC 20580.

Performance data for 1973 cars & motorcycles

National Highway Traffic Safety Administration has published 3 booklets on comparative performance information about 1973 cars & motorcycles:

Brakes: a Comparison of Braking Performance for 1973 Passenger Cars & Motorcycles;

Performance Data: New 1973 Passenger Cars & Motorcycles;

Tires: a Comparison of Tire Reserve Load for 1973 Passenger cars.

The booklets are compiled from data provided by domestic & foreign manufacturers of cars & motorcycles. Tire & brake booklets rank cars according to their stopping ability. *Performance Data* does not rank cars, but it does provide figures for each make & model indicating performance in acceleration & passing ability. The booklet also includes tire & braking information & tire manufacturers' codes for marking tires.

The information about each make & model in the booklets is also available from new car dealers. They must provide customers & potential customers with performance data about the cars or motorcycles they display & offer for sale. Thus, to get information to compare cars, consumers must go from dealer to dealer.

All 3 booklets are available from Superintendent of Documents, Government Printing Office, Washington, DC 20402. *Brakes* costs 55¢, *Tires* 65¢ & *Performance Data* \$2.85.

ICC consumer 'hotline'

Interstate Commerce Commission has established a new telephone number—202-343-4761—specifically for consumer information.

This "hotline" service is designed to provide answers to consumer questions in such areas as small shipments & moving household goods. The new number channels consumer calls to a central office that can either provide immediate help or can refer the caller to the proper source for aid.

The new telephone number is in addition to another ICC number where consumers can hear a recorded announcement concerning public hearings & day-to-day highlights of the commission's activities. The number for the recorded announcements is 202-343-4333.

Problem for the hard of hearing

Office of Consumer Affairs is looking into a consumer problem affecting over 1 ½ million Americans with hearing loss: the incompatibility of many new telephones with existing hearing aid devices.

The problem arose when the Bell telephone system designed a new type of earphone for a compact telephone with the dial in the handset. Unlike the older kind of earphone—which produced sufficient magnetic leakage to be picked up by specially equipped hearing aids or clamp-on telephone amplifiers—the newer earphone emits almost no electromagnetic energy.

According to Virginia Knauer, Special Assistant to the President for Consumer Affairs, the problem is becoming more serious because telephone companies are installing more & more telephones with the new earphones—including many pay telephones. Mrs. Knauer has said that the newly developed phones are being installed at the rate of over 100,000 a month. Stating that over 9 million such telephones are already in use, she added "It is hard to imagine the hardship this will create for persons who depend on their hearing aid adapters to use the telephone. Many of these hearing aid users are older persons and our search for new technology seems to be passing them by."

Mrs. Knauer was alerted to the problem by a consumer—Gibson Gray of Pembroke, NC, who indicated that the problem was growing undetected & could soon reach "emergency" proportions. Upon investigation of the problem, Mrs. Knauer learned that while the 2 industries involved—telephone companies & the hearing aid industry—had been working together for some time to resolve the problem, a stalemate had developed.

According to Mrs. Knauer, 2 possible solutions to the problem have been proposed by the industries involved. One solution is to include a small device in each telephone that will help hearing aids to amplify telephone sounds. The other solution is that hearing aid users carry a separate adapter with them that can be hooked onto the telephone receiver. According to the hearing aid industry, however, the adapter is a bulky 3 inches in diameter. At present, the 2 industries cannot agree upon which solution to use.

To help solve this impasse, the Hearing Aid Industry Conference has suggested a study of the problem. Mrs. Knauer has contacted several organizations representing senior citizens & persons with impaired hearing because they are the ones most directly affected by the problem. She has suggested that these groups attend a meeting in her office to exchange information & express their feelings & attitudes on the problem. In addition, representatives of both the hearing aid industry & the telephone company have publicly expressed their willingness to confer at any time.

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